Senate File 327

AN ACT

CONCERNING THE MUNICIPAL FIRE AND POLICE RETIREMENT SYSTEM AND INCLUDING EFFECTIVE DATE AND RETROACTIVE APPLICABILITY PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 400.8, subsection 1, Code 2013, is amended to read as follows:

The commission, when necessary under the rules, including minimum and maximum age limits, which shall be prescribed and published in advance by the commission and posted in the city hall, shall hold examinations for the purpose of determining the qualifications of applicants for positions under civil service, other than promotions, which examinations shall be practical in character and shall relate to matters which will fairly test the mental and physical ability of the applicant to discharge the duties of the position to which the applicant seeks appointment. physical examination of applicants for appointment to the positions of police officer, police matron, or fire fighter shall be held in accordance with medical protocols established by the board of trustees of the fire and police retirement system established by section 411.5 and shall be conducted in accordance with the directives of the board of trustees. However, the prohibitions of section 216.6, subsection 1, paragraph "d", regarding tests for the presence of the antibody to the human immunodeficiency virus shall not apply to such examinations. The board of trustees may change the medical protocols at any time the board so determines. In the event of a conflict between the medical protocols established under this section and the minimum entrance requirements of the Iowa law

established under this section shall control. The physical examination of an applicant for the position of police officer, police matron, or fire fighter shall be conducted after a conditional offer of employment has been made to the applicant. An applicant shall not be discriminated against on the basis of height, weight, sex, or race in determining physical or mental ability of the applicant. Reasonable rules relating to strength, agility, and general health of applicants shall be prescribed. The costs of the physical examination required under this subsection shall be paid from the trust and agency fund of the city.

- Sec. 2. Section 411.1, subsection 14, Code 2013, is amended to read as follows:
- 14. "Member in good standing" means a member in service who is not subject to removal by the employing city of the member pursuant to section 400.18 or 400.19, or other comparable process, and who is not the subject of an investigation that could lead to such removal. A Except as specifically provided pursuant to section 411.9, a person who is restored to active service for purposes of applying for a pension under this chapter is not a member in good standing.
- Sec. 3. Section 411.1, Code 2013, is amended by adding the following new subsection:
- <u>NEW SUBSECTION</u>. 23. "Vested member" means a member who has become eligible to receive monthly retirement benefits upon the member's retirement as the result of either completing at least four years of service or of attaining the age of fifty-five while performing membership service.
- Sec. 4. Section 411.5, subsection 12, paragraph e, Code 2013, is amended by striking the paragraph and inserting in lieu thereof the following:
- e. Notwithstanding any provision of this chapter to the contrary, all benefits under this chapter shall commence no later than the required beginning date specified under section 401(a)(9) of the federal Internal Revenue Code and shall comply with the required minimum distribution provisions of that section.
- Sec. 5. Section 411.6, subsection 1, paragraph b, Code 2013, is amended to read as follows:
- b. Any <u>vested</u> member in service who has been a member of the retirement system four or more years and whose employment is terminated prior to the member's retirement, other than by

death or disability, prior to the member being credited with twenty-two years of service shall, upon attaining retirement age for a vested member with four or more years of service or upon application to the system for a vested member with less than four years of service, receive a service retirement allowance of four as calculated in the manner provided in this paragraph. A vested member receiving a retirement allowance pursuant to this paragraph shall receive a service retirement allowance equal to one twenty-seconds of the retirement allowance the member would receive at retirement if the member's employment had not been terminated, and an additional one twenty-second of such retirement allowance for each additional year of service not exceeding based on twenty-two years of service, multiplied by the number of years of service credited to the member. The amount of the retirement allowance shall be calculated in the manner provided in this paragraph using the average final compensation at the time of termination of employment.

- Sec. 6. Section 411.6, subsection 8, paragraph c, subparagraph (3), Code 2013, is amended by striking the subparagraph.
- Sec. 7. Section 411.9, subsection 2, Code 2013, is amended to read as follows:
- 2. In the case of a member's death occurring on or after January 1, 2007, if the member dies while performing qualified military service as defined in section 414(u) of the Internal Revenue Code, the survivors of the member are entitled to any additional benefits, other than benefit accruals relating to the period of qualified military service, provided by the system as if the member had resumed membership service and had died as the natural and proximate result of an injury or disease incurred in or aggravated by the actual performance of duty at some definite time and place.
- Sec. 8. Section 411.9, Code 2013, is amended by adding the following new subsection:

NEW SUBSECTION. 2A. In the case of a member's disability incurred while performing qualified military service as defined in section 414(u) of the Internal Revenue Code, the member shall be treated as a member in good standing, whether or not the member returns to membership service, and shall be permitted to file an application for an ordinary disability retirement benefit as provided in section 411.6.

Sec. 9. Section 411.9, Code 2013, is amended by adding the

following new subsection:

NEW SUBSECTION. 2B. In the case of a member's death or disability occurring on or after January 1, 2007, if the member is unable to resume membership service as a result of death or disability incurred while performing qualified military service as defined in section 414(u) of the Internal Revenue Code, the member shall be treated as if the member had returned to membership service and the period of military service shall be treated as membership service.

Sec. 10. Section 411.23, subsection 1, Code 2013, is amended to read as follows:

- 1. Commencing July 1, 1990, if an active member, in service on or after that date, terminates service, other than by death or disability, the member may elect to withdraw the member's contributions under section 411.8, subsection 1, paragraphs "f" and "h", together with interest thereon at a rate determined by the board of trustees. If the member is married at the time of the application for withdrawal, the application is subject to the consent of the member's spouse unless the amount to be withdrawn does not exceed the amount that may be withdrawn without consent as established by section 401(a) of the federal Internal Revenue Code. If a member withdraws contributions as provided in this section, the member shall be deemed to have waived all claims for other benefits from the system for the period of membership service for which the contributions are withdrawn.
- Sec. 11. Section 411.36, subsection 1, paragraph a, subparagraph (3), Code 2013, is amended to read as follows:
- (3) A city treasurer, city financial officer, or city clerk, or other city officer involved with the management of the financial matters of the city from four participating cities, one of whom is from a city having a population of less than thirty thousand, and three of whom are from cities having a population of thirty thousand or more. The members authorized pursuant to this paragraph shall be appointed by the governing body of the Iowa league of cities.
- Sec. 12. EFFECTIVE UPON ENACTMENT. The following provision or provisions of this Act, being deemed of immediate importance, take effect upon enactment:
- 1. The section of this Act amending section 411.9, subsection 2.
- 2. The section of this Act enacting section 411.9, subsection 2B.

- 3. The section of this Act amending section 411.36, subsection 1.
- Sec. 13. RETROACTIVE APPLICABILITY. The following provision or provisions of this Act apply retroactively to January 1, 2007:
- The section of this Act amending section 411.9, subsection 2.
- 2. The section of this Act enacting section 411.9, subsection 2B.
- Sec. 14. RETROACTIVE APPLICABILITY. The following provision or provisions of this Act apply retroactively to appointments made on or after January 1, 2013:
- 1. The section of this Act amending section 411.36, subsection 1.

PAM JOCHUM
President of the Senate

KRAIG PAULSEN
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 327, Eighty-fifth General Assembly.

MICHAEL E. MARSHALL

Secretary of the Senate

Approved _______, 2013

TERRY E. BRANSTAD

Governor